

#### **DEPARTMENT OF THE TREASURY**

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB-2021-0005; Notice No. 202]

RIN: 1513-AC81

Proposed Establishment of the Paulsell Valley Viticultural Area

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the 34,155-acre "Paulsell Valley" viticultural area in Stanislaus County, California. The proposed AVA is not located within, nor does it contain, any other viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on these proposals.

DATES: TTB must receive your comments on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may electronically submit comments to TTB on this proposal using the comment form for this document as posted within Docket No. TTB—2021–0005 on the "Regulations.gov" website at <a href="https://www.regulations.gov">https://www.regulations.gov</a>. Within that docket, you also may view copies of this document, the related petition, supporting materials, and any comments TTB receives on this proposal. A direct link to that docket is available on the TTB Web site at <a href="https://www.ttb.gov/wine/notices-of-proposed-rulemaking">https://www.ttb.gov/wine/notices-of-proposed-rulemaking</a> under Notice No. 202. Alternatively, you may submit comments via postal mail to the Director, Regulations and Ruling Division, Alcohol and Tobacco Tax and Trade Bureau,

1310 G Street, NW. Box 12, Washington, DC 20005. Please see the **Public Participation** section below for further information on the comments requested regarding this proposal and on the submission, confidentiality, and public disclosure of comments.

**FOR FURTHER INFORMATION CONTACT:** Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

### SUPPLEMENTARY INFORMATION:

# **Background on Viticultural Areas**

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels, and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated the functions and duties in the administration and enforcement of these provisions to the TTB Administrator through Treasury Order 120–01, dated December 10, 2013 (superseding Treasury Order 120–01, dated January 24, 2003).

Part 4 of the TTB regulations (27 CFR part 4) authorizes TTB to establish definitive viticultural areas and regulate the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of

petitions for the establishment or modification of American viticultural areas (AVAs) and lists the approved AVAs.

### Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features, as described in part 9 of the regulations, and a name and a delineated boundary, as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to its geographic origin. The establishment of AVAs allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of an AVA is neither an approval nor an endorsement by TTB of the wine produced in that area.

# Requirements

Section 4.25(e)(2) of the TTB regulations (27 CFR 4.25(e)(2)) outlines the procedure for proposing an AVA and provides that any interested party may petition TTB to establish a grape-growing region as an AVA. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions for the establishment or modification of AVAs. Petitions to establish an AVA must include the following:

- Evidence that the area within the proposed AVA boundary is nationally or locally known by the AVA name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed AVA;
- A narrative description of the features of the proposed AVA that affect viticulture, such as climate, geology, soils, physical features, and elevation, that

make the proposed AVA distinctive and distinguish it from adjacent areas outside the proposed AVA boundary;

- The appropriate United States Geological Survey (USGS) map(s)
   showing the location of the proposed AVA, with the boundary of the proposed
   AVA clearly drawn thereon; and
- A detailed narrative description of the proposed AVA boundary based on USGS map markings.

### Petition to Establish the Paulsell Valley AVA

TTB received a petition from Patrick Shabram, on behalf of Rock Ridge Ranch, proposing to establish the "Paulsell Valley" AVA. The proposed AVA is located in Stanislaus County, California, and is not within any existing AVA. Within proposed AVA, there are 3 commercial vineyards which cover a total of approximately 826 acres. The petition also notes that a fourth vineyard is planned for the proposed AVA and would contain an additional 700 acres of vines. The distinguishing features of the proposed Paulsell Valley AVA include its topography, climate, and soils.

#### Proposed Paulsell Valley AVA

#### Name Evidence

The proposed Paulsell Valley AVA is located in a valley carved by Dry

Creek in and around the unincorporated community of Paulsell, California. The
petition notes that, although the name "Paulsell Valley" is not currently identified
by the USGS Board on Geographic Names or on USGS topographic maps, the
name is nonetheless used to describe the region of the proposed AVA. For
example, the 1957 Soil Survey of Eastern Stanislaus County, created by the U.S.
Department of Agriculture Soil Conservation Service, describes the Paulsell

series soil as being found "along Dry Creek in the Paulsell Valley." A 1961 soil association map from the same Federal agency further describes the Paulsell soil series as "deep, clay soils on lacustrine deposits in Paulsell Valley."

The name "Paulsell Valley" has also been used extensively in articles in the local newspaper relating to the Oakdale Irrigation District's (OID) proposal to expand water delivery into the region of the proposed AVA. For example, one article states, "Additional farmers in the Paulsell Valley east of Modesto are also interested in tapping into OID's water supply \* \* \*."3 Another article describes "options for OID to deliver water to the Paulsell Valley in eastern Stanislaus \* \* \*."4 A third article carries the headline, "OID rejects request to help fund Paulsell Valley expansion study."5 Finally, an article describes the efforts of Stanislaus County farmers "such as those in the Paulsell Valley southeast of Oakdale" to purchase water from the OID.6

# Boundary Evidence

The proposed Paulsell Valley AVA is located on the lowest foothills of the Sierra Nevada Mountains, above the San Joaquin Valley floor. The proposed northern boundary follows a series of roads and straight lines between points to separate the proposed AVA from the fluvial valley of the Stanislaus River. The

<sup>&</sup>lt;sup>1</sup> U.S. Department of Agriculture Soil Conservation Service and University of California Experiment Station, *Soil Survey: Eastern Stanislaus Area*, Series 1957, No. 20, 1964, page 17.

<sup>&</sup>lt;sup>2</sup> U.S. Department of Agriculture Soil Conservation Service and University of California Agriculture Experiment Station, *General Soil Map: Eastern Stanislaus County*, 1961.

<sup>&</sup>lt;sup>3</sup> Sbranti, J.N., "Oakdale Irrigation District considers expanding water deliveries to farms and homes," *The Modesto Bee*, May 6, 2014. Accessed online at <a href="https://www.modbee.com/latest-news/article3164325.html">https://www.modbee.com/latest-news/article3164325.html</a>.

<sup>&</sup>lt;sup>4</sup> Sbranti, J.N., "OID water sales plan bashed by county advisory committee," *The Modesto Bee*, November 19, 2014. Accessed online at <a href="https://www.modbee.com/news/special-reports/groundwater-crisis/article4025625.html">https://www.modbee.com/news/special-reports/groundwater-crisis/article4025625.html</a>.

<sup>&</sup>lt;sup>5</sup> Sbranti. J.N., "OID rejects request to help fund Paulsell Valley expansion study," *The Modesto Bee*, September 16, 2014. Accessed online at <a href="https://www.modbee.com/news/local/article3172373.html">https://www.modbee.com/news/local/article3172373.html</a>.

<sup>&</sup>lt;sup>6</sup> Sbranti, J.N., "OID to discuss selling water to outside agencies during closed-door meeting," *The Modesto Bee*, November 4, 2014. Accessed online at <a href="https://www.modbee.com/news/local/oakdale/article3546951.html">https://www.modbee.com/news/local/oakdale/article3546951.html</a>.

proposed eastern boundary largely follows a series of roads to separate the proposed AVA from the higher foothills and mountains within the Sierra Nevada. The proposed southern boundary is largely formed by the shoreline of the Modesto Reservoir and the Modesto Main Canal. The proposed western boundary follows a series of roads and straight lines between points to separate the proposed AVA from the lower elevations of the San Joaquin Valley.

### Distinguishing Features

According to the petition, the distinguishing features of the proposed Paulsell Valley AVA are its topography, climate, and soils. The petition also proposed geology as a distinguishing feature of the proposed AVA. However, based on the petition's descriptions, geology appears to be too integral to the region's soils to be considered separately from that feature. Therefore, TTB does not consider geology to be a separate distinguishing feature of the proposed AVA.

# Topography

According to the petition, the landscape of the proposed Paulsell Valley AVA is dominated by rolling hills marked by cut arroyos, but also interspersed with steep, isolated hills. This topography is referred to as "mound-intermound relief." Because of the mound-intermound topography, the petition states that the fluvial valley known as "Paulsell Valley" can be difficult to define in areas, as the isolated hills do not form the typical drainage divides common to many other fluvial valleys. Elevations within the proposed AVA are between 140 and 612 feet, with most of the proposed AVA in the 180-400 foot range.

The topography of the proposed Paulsell Valley AVA affects viticulture.

According to the petition, the gentle slopes within the proposed AVA ensure good drainage for vineyards. The isolated nature of higher mounds within the

proposed AVA decreases shadows on the valley floor, allowing most vineyards to receive long hours of solar radiation. Furthermore, soils eroding off the higher slopes to the east settle in the lower elevations of the proposed AVA and help ensure that the soils are not leached of nutrients.

To the north of the proposed Paulsell Valley AVA is the floodplain of the Stanislaus River, which is described as a "more traditional" valley carved by the Stanislaus River. Along the floodplain are alluvial terraces and fans that differ from the mound-intermound topography of the proposed AVA. Elevations to the north of the proposed AVA are generally below 300 feet. To the east of the proposed AVA, the landscape transitions to the Sierra Nevada Mountains, which can rise to several thousand feet. South of the proposed AVA is the Modesto Reservoir. To the southwest and southeast of the proposed AVA, moundintermound relief similar to that of the proposed AVA is also present, but it becomes less pronounced because the upper depositional layers have been weathered and eroded away. Although the hills in these regions are lower than those within the proposed AVA, the petition states that they occur in greater frequency. West of the proposed AVA, the terrain transitions to the San Joaquin Valley floor, which has significantly flatter topography and elevations that are typically below 200 feet.

#### Climate

According to the petition, the climate of the proposed Paulsell Valley AVA distinguishes it from the regions to the east, west, and southwest. Climate data was not available from the regions to the immediate north and immediate south of the proposed AVA. The petition first describes the growing degree day

(GDD)<sup>7</sup> accumulations of the proposed AVA and the surrounding regions. The petition also included GDD data from a weather station within the Blue Oak Vineyard to the southwest of the proposed AVA. However, because data was only available from this station from 2016 and 2017, and more complete data from the southwest region was also provided, TTB did not include the Blue Oak Vineyard data in the following table.

Table 1: -2017 GDD Accumulations

Weather Station location (Direction from proposed AVA)	2012	2013	2014	2015	2016	2017
Rock Ridge Ranch (within)	4,607	4,758	5,204	5,015	4,846	4,952
Rock Creek Vineyard (within)	N/A	N/A	4,922	4,756	4,461	4,455
Warnerville (within)	N/A	4,268	4,534	4,389	4,201	4,330
Oakdale (west)	3,780	4,035	4,250	4,165	4,212	4,308
Denair (southwest)	3,934	4,131	4,338	4,437	4,142	4,120
Green Springs (east)	4,624	4,586	N/A	4,702	4,601	4,711

The GDD accumulations for the proposed Paulsell Valley are higher than those to the west of the proposed AVA within the San Joaquin Valley, and similar to slightly higher than those of the region to the east. The petition suggests that the differences between GDD accumulations in the San Joaquin Valley and Paulsell Valley and the region to the east are more the result of lower minimum temperatures on the San Joaquin Valley floor rather than lower maximum temperatures. As evidence, the petition provided data from within the proposed AVA and the San Joaquin Valley on the average growing season low

<sup>&</sup>lt;sup>7</sup> See Albert J. Winkler, *General Viticulture* (Berkeley: University of California Press, 2nd Ed. 1974), pages 61–64. In the Winkler climate classification system, annual heat accumulation during the growing season, measured in annual GDDs, defines climatic regions. One GDD accumulates for each degree Fahrenheit that a day's mean temperature is above 50 degrees F, the minimum temperature required for grapevine growth.

temperatures for the same time period as the GDD accumulations data. Once again, because only two years of data was available from the Blue Oak Vineyard, TTB did not include that information in the following table.

**Table 2: Average Growing Season Low Temperatures** 

Weather Station Location (Direction from proposed AVA)	Average Minimum Temperature (Degrees Fahrenheit)		
Rock Ridge Ranch (within)	57.9		
Rock Creek Vineyard (within)	55.4		
Warnerville (within)	54.8		
Oakdale (west)	53.9		

According to the petition, in the region of the proposed AVA, a general pattern exists of precipitation increasing from west to east. The petition included information on average precipitation amounts from 2012–2017, which is summarized in the following table.

**Table 3: Annual Precipitation in Inches** 

Weather Station location (Direction from proposed AVA)	2012	2013	2014	2015	2016	2017
Rock Ridge Ranch (within)	N/A	8.3	N/A	9.6	17.9	24.0
Rock Creek Vineyard (within)	N/A	N/A	7.6	9.2	17.8	25.4
Warnerville (within)	18.2	10.6	8.8	10.6	20.5	26.4
Oakdale (west)	8.6	9.7	6.6	11.4	15.9	N/A
Denair (southwest)	7.7	6.8	6.6	8.9	14.7	19.6
Green Springs (east)	N/A	N/A	N/A	N/A	30.5	37.6

The data supports the claim that precipitation amounts generally increase from west to east. The precipitation amounts for Oakdale, within the San Joaquin Valley, are generally lower than those of the proposed AVA. Although data from the Green Springs weather station was only available from 2016 and

2017, the rainfall amounts for those two years is significantly higher than those for the proposed AVA and the San Joaquin Valley, as would be expected for an eastern location. Therefore, TTB included the data in the table.

The climate of the proposed Paulsell Valley AVA has an effect on viticulture. According to the petition, temperatures impact the timing of bud break, grape development and sugar accumulations, and harvest dates. Hence, grapes grown within the proposed AVA experience different bud break, flowering, veraison, and harvest dates than the regions to the south and west which have lower GDD accumulations. Precipitation amounts in the proposed AVA offer more soil moisture than regions in the San Joaquin Valley, thus reducing the need for irrigation. Additionally, the level of precipitation in the proposed AVA may partly help to alleviate some of the concerns related to certain diseases and the accumulation of excess juice that can dilute grape flavors, which may impact viticulture in the wetter regions to the east.

### Soils

According to the petition, the region of the proposed AVA was heavily deposited by ancient volcanic activity that was primarily pyroclastic in nature (i.e., lacking lava flow). Layers of volcanic tuff, which is rock created from the deposition of volcanic ash instead of from direct lava flow, form the parent material for the most common soil types. Additionally, alluvial fans associated with volcanic activity and significant flooding events provide an additional source for soils within the proposed AVA. The most common soils within the proposed AVA are the Pentz series soils, ranging from Pentz cobbly loam to Pentz sandy loam. These soils are described as shallow, well-drained soils that formed in material weathered from tuffaceous sediments and are frequently found on hilly

terrain. Pentz soils account from 23 percent of the soils within the proposed AVA.

Associated with the Pentz soils and common to the proposed AVA are the Peters series soils, which account for 11 percent of the soils within the proposed AVA. These soils are very similar to the Pentz soils, but occur on nearly-level to steep terrain. The Peters-Pentz complex is also present within the proposed AVA. The petition defines a complex as similar soil types mixed at such a scale that they are not defined as one type or the other. The Peters-Pentz complex makes up a little more than 22 percent of the soils within the proposed AVA.

Other soil series of note within the proposed AVA are the Keyes, Raynor, and Paulsell series. Keyes soils comprise 10 percent of the soils within the proposed AVA, while Raynor and Paulsell soils make up 8 and 7 percent, respectively. Keyes soils are formed on material weathered from basic andesitic sediment and are found on alluvial fans and terraces or in mound-intermound relief. Raynor clay is formed from andesitic mudstone, while Paulsell clay is an alluvial soil formed from former lake sediment.

The petition notes that Peters, Pentz, and Keyes soils are all found in the regions to the west and southeast of the proposed AVA, as tuffaceous and fluvial deposits are not limited to the proposed AVA. Raynor and Paulsell soils are also found elsewhere. However, the petition states that sharp contrasts in soils exist to the north, northeast, and south of the proposed Paulsell Valley AVA. To the northeast, the Amador and Auburn series are more common. These soils are formed from tuffaceous sediments, similar to the Peters and Pentz soils. The Auburn soil, however, has metamorphic parent material, specifically amphibolite schist. Other soils in the regions to the northeast of the proposed AVA are

derived from metamorphosed igneous rock, such as the Exchequer soils, or sedimentary rock, such as the Hornitos soils.

The petition states that to the south of the proposed AVA, Hopeton clays, Montpellier coarse sandy loam, and Whitney sandy loams are more common. These soils are formed from deposited sediments usually of granitic origin, or weakly consolidated sandstone of weathered ingenuous materials, and lack volcanic tuff material. Additionally, the petition states that to the north of the proposed AVA, alluvial sandy soils are found in deposits along the Stanislaus River floodplain, including Honcut, Hanford, and Columbia series soil. Tailings and dredge from former mining operations are also abundant along the river floodplain.

According to the petition, the soils of a region can affect overall grape characteristics. Holding capacity impacts how much moisture can be utilized by the vine from rainfall. Good drainage helps prevent soil-borne pathogens that can harm vines. The mineral content of the soil is often credited with creating subtle distinction in flavor. Hence, the petition asserts that soils of the Paulsell Valley, which are derived of ash and fluvial fans mixed with ash, have a different mineral content and holding capacity than the soils of the surrounding regions, and have the potential to produce subtle flavor characteristics to grapes grown in these soils.

Summary of Distinguishing Features

The following table summarizes the characteristics of the proposed Paulsell Valley AVA and the surrounding regions.

**Table 4: Summary of Distinguishing Features** 

Location Topography Climate Soils
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Proposed Paulsell Valley AVA	Rolling hills, mound- intermound relief; elevations between 140 and 612 feet	Average GDDs between 4,201 and 5,204; average growing season low temperatures between 54.8 and 57.9 degrees; Annual rainfall amounts between 7.6 and 26.4 degrees	Pentz, Peters, Keyes, Raynor, and Paulsell series and the Peters-Pentz complex; primarily formed from volcanic tuff and alluvial fans associated with volcanic activity and severe flooding
North	Floodplain of the Stanislaus River; elevations generally below 300 feet	Not available	Honcut, Hanford, and Columbia series; alluvial sandy soils and tailings and dredge from former mining operations
East	Sierra Nevada Mountains; elevations up to several thousand feet	Similar to slightly lower GDD accumulations; higher annual rainfall amounts	Amador, Auburn, Exchequer, and Hornitos series; derived from tuffaceous sediments, metamorphic or sedimentary parent material
South	Modesto Reservoir	Lower GDD accumulations; temperature; lower annual rainfall amounts	Hopeton clays, Montpellier coarse sandy loam, and Whitney sandy loams; formed from deposited sediments of granitic origin or weakly consolidated sandstone of weathered ingenuous materials; lack volcanic tuff
West	San Joaquin Valley; significantly flatter terrain; elevations	Lower GDD accumulations; lower average growing season low temperature;	Similar to proposed AVA

typically below	lower annual	
200 feet	rainfall amounts	

#### **TTB Determination**

TTB concludes that the petition to establish the 34,155-acre "Paulsell Valley" AVA merits consideration and public comment, as invited in this document.

### **Boundary Description**

See the narrative boundary descriptions of the petitioned-for AVA in the proposed regulatory text published at the end of this document.

### Maps

The petitioner provided the required maps, and they are listed below in the proposed regulatory text. You may also view the proposed Paulsell Valley AVA boundary on the AVA Map Explorer on the TTB website, at <a href="https://www.ttb.gov/wine/ava-map-explorer">https://www.ttb.gov/wine/ava-map-explorer</a>.

#### Impact on Current Wine Labels

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. For a wine to be labeled with an AVA name or with a brand name that includes an AVA name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible for labeling with an AVA name and that name appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the AVA name appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label. Different rules apply if a wine has a brand name containing an AVA name

that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

If TTB establishes this proposed AVA, its name, "Paulsell Valley," will be recognized as a name of viticultural significance under § 4.39(i)(3) of the TTB regulations (27 CFR 4.39(i)(3)). The text of the proposed regulation clarifies this point. Consequently, wine bottlers using "Paulsell Valley" in a brand name, including a trademark, or in another label reference as to the origin of the wine, would have to ensure that the product is eligible to use the viticultural area's name as an appellation of origin if this proposed rule is adopted as a final rule.

The approval of the proposed Paulsell Valley AVA would not affect any existing AVA. If approved, the establishment of the proposed Paulsell Valley AVA would allow vintners to use "Paulsell Valley" as an appellation of origin for wines made from grapes grown within the proposed AVA, if the wines meet the eligibility requirements for the appellation.

### **Public Participation**

### Comments Invited

TTB invites comments from interested members of the public on whether TTB should establish the proposed Paulsell Valley AVA. TTB is interested in receiving comments on the sufficiency and accuracy of the name, boundary, topography, climate, soils, and other required information submitted in support of the AVA petition. Please provide any available specific information in support of your comments.

Because of the potential impact of the establishment of the proposed Paulsell Valley AVA on wine labels that include the term "Paulsell Valley" as discussed above under **Impact on Current Wine Labels**, TTB is particularly interested in comments regarding whether there will be a conflict between the

proposed area names and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact that approval of the proposed AVA will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid conflicts, for example, by adopting a modified or different name for the proposed AVA.

### Submitting Comments

You may submit comments on this proposal as an individual or on behalf of a business or other organization via the Regulations.gov website or via postal mail, as described in the **ADDRESSES** section of this document. Your comment must reference Notice No. 202 and must be submitted or postmarked by the closing date shown in the **DATES** section of this document. You may upload or include attachments with your comment. You also may submit a comment requesting a public hearing on this proposal. The TTB Administrator reserves the right to determine whether to hold a public hearing.

#### Confidentiality and Disclosure of Comments

All submitted comments and attachments are part of the rulemaking record and are subject to public disclosure. Do not enclose any material in your comments that you consider confidential or that is inappropriate for disclosure.

TTB will post, and you may view, copies of this document, the related petition, supporting materials, and any comments TTB receives about this proposal within the related Regulations.gov docket. In general, TTB will post comments as submitted, and it will not redact any identifying or contact information from the body of a comment or attachment.

Please contact TTB's Regulations and Rulings division by email using the web form available at <a href="https://www.ttb.gov/contact-rrd">https://www.ttb.gov/contact-rrd</a>, or by telephone at 202–

453–2265, if you have any questions regarding comments on this proposal or to request copies of this document, its supporting materials, or the comments received.

# **Regulatory Flexibility Act**

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

#### **Executive Order 12866**

It has been determined that this proposed rule is not a significant regulatory action as defined by Executive Order 12866 of September 30, 1993. Therefore, no regulatory assessment is required.

### **Drafting Information**

Karen A. Thornton of the Regulations and Rulings Division drafted this document.

# List of Subjects in 27 CFR Part 9

Wine.

### **Proposed Regulatory Amendment**

For the reasons discussed in the preamble, we propose to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

# PART 9—AMERICAN VITICULTURAL AREAS

**1.** The authority citation for part 9 continues to read as follows:

**Authority:** 27 U.S.C. 205.

### Subpart C—Approved American Viticultural Areas

**2.** Add § 9. to read as follows:

# § 9.\_\_\_\_ Paulsell Valley.

- (a) *Name*. The name of the viticultural area described in this section is "Paulsell Valley". For purposes of part 4 of this chapter, "Paulsell Valley" is a term of viticultural significance.
- (b) *Approved maps*. The four United States Geological Survey (USGS) 1:24,000 scale topographic maps used to determine the boundary of the viticultural area are titled:
  - (1) Knights Ferry, California, 2015;
  - (2) Keystone, California, 2015;
  - (3) Cooperstown, California, 2015; and
  - (4) Paulsell, California, 2015.
- (c) *Boundary*. The Paulsell Valley viticultural area is located in Stanislaus County, California. The boundary of the Paulsell Valley viticultural area is as described in paragraphs (c)(1) through (20) of this section:
- (1) The beginning point is on the Knights Ferry map at the intersection of Willms Road, Kennedy Road/Sonora Road, and State Highway 108/State Highway 120. From the beginning point, proceed southeasterly along Willms Road for 7.2 miles, crossing over the Keystone map and onto the Cooperstown map, to the intersection of Willms Road and Warnerville Road at the Warnerville Cemetery: then
- (2) Proceed west, then south along Warnerville Road for a total of 0.5 mile to its intersection with Crabtree Road at the railroad tracks west of the town of Warnerville; then

- (3) Proceed in a southerly direction along Crabtree Road for 6.7 miles to its intersection with the canal known locally as the Modesto Main Canal; then
- (4) Proceed westerly along the canal, crossing onto the Paulsell map, and continuing along the canal for a total of 1.6 miles to the Modesto Reservoir; then
- (5) Proceed along the eastern shore, then northern shore, of the Modesto Reservoir for 12.9 miles to the fifth intersection of the shore with an unnamed, intermittent creek at the northernmost point of the reservoir; then
- (6) Proceed southwesterly in a straight line to the northern terminus of Reservoir Road; then
- (7) Proceed south-southwest along Reservoir Road for 2.2 miles to its intersection with the 200-foot elevation contour; then
- (8) Proceed northwest in a straight line for 1.2 miles to the intersection of Hazeldean Road and Tim Bell Road; then
- (9) Proceed north along Tim Bell Road for 3.1 miles to its intersection with Claribel Road south of the town of Paulsell; then
- (10) Proceed west along Claribel Road for 2.4 miles, crossing Cashman Creek, to the intersection of the road with the 260-foot elevation contour; then
- (11) Proceed north in a straight line for 2 miles to the intersection of Warnerville Road and the 300-foot elevation contour east of Cashman Creek; then
- (12) Proceed northeast in a straight line, crossing onto the Knights Ferry map and continuing for a total of 1.1 miles to the intersection of Fogarty Road and a railroad track; then
  - (13) Proceed east in a straight line for 0.9 mile to Paulsell Lateral; then
- (14) Proceed northerly along Paulsell Lateral for 2.4 miles to its intersection with Cashman Creek; then

(15) Proceed northwest in a straight line for 1.3 miles to State Highway

108/State Highway 120; then

(16) Proceed northeast in a straight line for 2.4 miles to the third

intersection of State Highway 108/State Highway 120 with the 300-foot elevation

contour; then

(17) Proceed southeast along State Highway 108/State Highway 120 for 1

mile to its intersection with the 260-foot elevation contour; then

(18) Proceed northeasterly along the 260-elevation contour for 1.4 miles to

its intersection with Sonora Road southeast of Knights Ferry; then

(19) Proceed southeast along Sonora Road for 0.1 mile to its intersection

with Kennedy Road; then

(20) Proceed northeast, then east, then south along Kennedy

Road/Sonora Road for 0.4 mile, returning to the beginning point.

Signed: June 21, 2021.

Mary G. Ryan,

Administrator.

Approved: June 21, 2021.

Timothy E. Skud,

Deputy Assistant Secretary

(Tax, Trade, and Tariff Policy).

[FR Doc. 2021-15053 Filed: 7/14/2021 8:45 am; Publication Date: 7/15/2021]